

Approved

BOARD OF REGENTS

September 22, 2022

**AMENDMENT OF REGENTS POLICY 5105: POLICY ON INNOVATION TRANSFER
AND ENTREPRENEURSHIP**

The Chair of the Special Committee on Innovation Transfer and Entrepreneurship and the Chair of the Board recommend that the Regents amend Regents Policy 5105: Policy on Innovation Transfer and Entrepreneurship, as shown in Attachment 1.

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sherman, and Tesfai voting “aye.”

Additions shown by underline; deletions show by ~~strikethrough~~

Regents Policy 5105: Policy on Innovation Transfer and Entrepreneurship

Approved May 13, 2021

POLICY SUMMARY/BACKGROUND

This policy is in response to the findings and recommendations formed by the Regents Working Group on Innovation Transfer and Entrepreneurship from December 2019 to April 2021.

The purpose of this policy is to ensure that the University's innovation transfer and entrepreneurship programs – at both the campus and systemwide levels – achieve the following objectives:

- Promote the translation of UC's discoveries into useful products, services, and innovations that not only provide value to individuals and society, but also endeavor to uplift the human condition;
- Inspire the passion of our faculty and student inventors, as well as provide the problem-solving and collaborative support necessary to translate those ideas into real-world solutions having societal benefit; and
- Pursue fair value for our intellectual property so UC can continue to grow its excellence in scholarship, research, and global impact.

POLICY TEXT

A. Governance

The responsibility, authority, and accountability for innovation transfer and entrepreneurship shall reside generally with the campuses. Those campuses with defined strategies, as well as adequate programmatic infrastructure and internal controls, will have the authority and flexibility necessary to execute its charge.

The Office of the President shall continue to play an important role in facilitating the success of UC's innovation transfer enterprise by supporting and facilitating the execution of campus-based strategies and solutions. Its highest and best value comes in leveraging the power and potential of its ten campuses and to perform services no one campus can cost-effectively do on its own, as well as coordinating or addressing multi-campus needs.

B. Funding

The University shall endeavor to provide or raise funds to provide seed capital for early stage development and nascent innovations that have market potential to help the University meet its mission, as identified above.

C. Policy

The University shall periodically review, update and modernize those policies which are core to governing its innovation transfer and entrepreneurship enterprise, as necessary, but no less than every five years.

To support and facilitate transactions and relationships between the University, its inventors, and industry partners, the University shall harmonize and – to the extent reasonable – consolidate all

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University policies¹ regarding intellectual property, innovation-derived equity, and industry-sponsored research to ensure coordinated and streamlined interfaces between the University, its inventors, and industry.

To promote and encourage the successful expansion of engagement between UC inventors and private industry, as well as protect against real or perceived conflicts of interest, the University shall promulgate effective and appropriate policies to support these relationships.

To prevent and manage risks of uneven or incorrect interpretation or enforcement of these policies, the University of California of the President, in consultation with its campuses and national laboratories, shall provide accompanying guidance, examples, explanations, and resources that shall be timely and relevant and that can inform the understanding of its users and stakeholders, both within and external to the University. The University shall convene a practice group to keep these supporting resources current and applicable to evolving use cases.

D. Culture / Reputation

With input from both internal and external stakeholders, the University shall take actions to create an environment encouraging and valuing translational research, innovation, and entrepreneurship on par with other UC enterprises and fields of scholarship and research.

Starting in Academic Year 2023-24, a Regents Innovation Awards program to recognize and celebrate exceptionalism in UC innovation and entrepreneurship shall be established with the following objectives:

- To challenge the UC community of students, faculty, and researchers to solve the world's most pressing challenges through use-inspired research, civically responsible entrepreneurship, and the translation of academic-based research into real-world solutions having societal benefit.
- To acknowledge UC inventors and entrepreneurs who have demonstrated an exceptional spirit of innovation through the creation of new technologies, products, and services aimed at uplifting the human condition.
- To promote a culture of innovation that stokes the passion of the UC community to vigorously pursue academic discovery for the purpose of creating practical solutions serving the needs of our global society.

E. Innovation Management System

The University shall endeavor to operate and maintain a state-of-the-art Innovation Management System to handle the IT infrastructure needs of its innovation transfer enterprise, including, at a minimum:

- Marketing and business development;
- Patent Prosecution;
- Intellectual property tracking and management;
- Accounting, billing, and revenue distribution; and

¹ Policies include, but are not limited to, those governing patents, copyrights, equity, industry-sponsored research, conflicts of interest, and conflicts of commitment.

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- Stakeholder and client relationship management

~~F. Performance Metrics~~ Measuring and Reporting Performance and Public Impact

~~The University shall develop goals and measure innovation transfer and entrepreneurship activities with respect to the following: public impact; short and long-term financial returns; customer satisfaction; impact on students; and the participation of women, person with disabilities, and other historically marginalized groups.~~

The University shall measure and report on the following:

- Annually or biannually, there shall be a performance and impact review comprised of the following elements:
 - an annual measure of key transactional activities, and
 - a biannual measure of participation rates by women, persons of color, and other groups that have been historically marginalized in use-based research, innovation transfer, and start-up company formation.
- The University shall include in its annual technology commercialization report a showcase of products, services, and start-up companies that exemplify the breadth and value of UC's innovation enterprise, with an emphasis on how they improve societal well-being; provide economic benefit to the region, state, and nation; and democratize participation by historically marginalized populations.
- An innovation spotlight focused on a select theme, topic, or area of innovation that highlights the University's efforts and leadership role in creating, refining, or advancing solutions in an area of major public interest.
- Every five years, the University shall commission an economic analysis measuring some or all of the following types of economic impacts resulting from UC innovation transfer and entrepreneurship: job creation, tax revenues, regional economic development in the communities surrounding each UC campus, philanthropic giving to UC spurred by innovation and entrepreneurship activity, and faculty, postdoctoral fellow, and student recruitment and retention.

The University shall use these data and reports to periodically update its innovation transfer and entrepreneurship goals.

REPORTING

The Office of the President shall provide an annual written report detailing progress, successes, failures, and barriers to implementation for each of the areas under Policy Text.

RELATED DOCUMENTS

Report of the Regents Working Group on Innovation Transfer and Entrepreneurship

A Conceptual Framework for Defining and Measuring the Value of UC's Innovation and Entrepreneurship Enterprise

Regents Innovation Awards